

IN THE CLAIMS:

Please amend the claims to have the status and content indicated in the following listing of claims, wherein any cancellation of claims is made *without prejudice*.

1-34. (cancelled).

35. (currently amended) A trade finance method for financing the sale of a traded product supplied by a seller to a buyer physically removed from the seller, the method comprising:

- a) the buyer providing an event-activated, prerelease latent payment draft to the seller or the seller's agent prior to release of the traded product from the seller's control wherein the event-activated prerelease latent payment draft:
  - i) is drawn by the seller;
  - ii) is payable to the seller's order by a financial institution and is non-negotiable when drawn;
  - iii) is drawn on the buyer at the financial institution and is executed by the buyer to indicate the buyer's acceptance of the payment draft;
  - iv) sets forth a payment draft activating event, the activating event being effective to render the draft negotiable and being selected from the group of events consisting of release of the traded product by the seller, delivery of the traded product to the buyer, availability of specified funds to the buyer, availability of the proceeds of an asset sale to the buyer, in the case of a manufactured traded product, progress of manufacture of the traded product to an agreed stage and of a future date certain, occurrence of the activating event being agreed by the buyer and seller as commencing the payment term;

- v) sets forth a payment term of specified duration, the payment term commencing with the date of occurrence of the activating event, the date of the activating event being a date occurring after execution of the payment draft by the buyer; and
- i) orders a payment of a specified amount of money to be made within the payment term; and
- b) the seller releasing the traded product for delivery to the buyer subsequently to receiving the latent payment draft.

36. (previously presented) A method according to claim 35 wherein the prerelease latent payment draft is also executed by the seller prior to the activating event.

37. (previously presented) A method according to claim 36 wherein the activating event comprises release of the traded product from the seller's control, and wherein the seller releases the traded product subsequently to receipt by the seller of the prerelease latent payment draft.

38. (previously presented) A method according to claim 36 wherein the prerelease latent payment draft comprises a transaction window containing transaction identifiers that permit identification of the transaction comprising the sale of the traded product.

39. (previously presented) A method according to claim 38 wherein the transaction window occupies a distinct area on the prerelease latent payment draft separate from the payment draft characteristics and the transaction identifiers comprise one or more of a seller identification number, a proforma invoice identification number, a credit insurance company's control number, an invoice number, a shipment number, a customs internal tracking number and a buyer identification number.

40. (previously presented) A method according to claim 38 wherein the transaction identifiers comprise a seller identification number, a proforma invoice identification number, a credit insurance company's control number, an invoice number, a shipment number, a customs internal tracking number and a buyer identification number.
41. (previously presented) A method according to claim 36 wherein the method is computer-assisted, the prerelease latent payment draft being generated by software running on a computer, wherein the prerelease latent payment draft comprises an electronic file or a paper document printed from an electronic file, wherein the buyer can accept the prerelease latent payment draft prior to formal issuance of the draft by the seller, the instrument being incomplete until both the seller-issuer and the buyer-acceptor have signed or otherwise electronically applied their assent.
42. (previously presented) A method according to claim 36 wherein the seller is an exporter in one country, the buyer is an importer in another country, state or region, the traded product comprises shippable goods and the activating event comprises release of the goods by the exporter for shipment to the importer.
43. (previously presented) A method according to claim 42 wherein the prerelease latent payment draft comprises an electronic file, or a paper document printed from an electronic file, and is also executed by the seller prior to the activating event wherein the activating event comprises release of the traded product from the seller's control subsequently to receipt by the seller of the prerelease latent payment draft and wherein the prerelease latent payment draft comprises a transaction window visually separate from the payment draft data, the transaction window containing transaction identifiers that permit identification of the transaction comprising the sale of the traded product.
44. (currently amended) A trade finance method for financing the sale of a traded

product supplied by a seller to a buyer physically removed from the seller, the method comprising:

- a) the buyer providing an event-activated first bill-of exchange to the seller or the seller's agent prior to release of the traded product from the seller's control wherein the event-activated ~~prerelease-latent~~ first bill-of exchange:
  - i) is drawn by the seller;
  - ii) is payable to the seller's order by a financial institution and is non-negotiable when drawn;
  - iii) is drawn on the buyer at the financial institution and is executed by the buyer to indicate the buyer's acceptance of the payment draft;
  - iv) sets forth a payment draft activating event, the activating event being effective to render the draft negotiable and being selected from the group of events consisting of release of the traded product by the seller, delivery of the traded product to the buyer, availability of specified funds to the buyer, availability of the proceeds of an asset sale to the buyer, in the case of a manufactured traded product, progress of manufacture of the traded product to an agreed stage and of a future date certain, occurrence of the activating event being agreed by the buyer and seller as commencing the payment term;
  - v) sets forth a payment term of specified duration, the payment term commencing with the date of occurrence of the activating event, the date of the activating event being a date occurring after execution of the payment draft by the buyer; and
  - vi) orders a payment of a specified amount of money to be made within the payment term; and
- b) the seller releasing the traded product for delivery to the buyer; and

- c) the buyer executing a second ~~bill-of-exchange~~ bill-of-exchange, the second ~~bill-of-exchange~~ bill-of-exchange also satisfying the conditions of the first ~~bill-of-exchange~~ bill-of-exchange set forth in clause a) i)-vi) hereinbefore, prior to receiving the traded product;

wherein the first and second ~~bills-of-exchange~~ bills-of-exchange are mutually extinguishable, each bill being designated as being payable if the other ~~bill-of-exchange~~ bill-of-exchange remains unpaid.

45. (currently amended) A method according to claim 44 comprising substituting a banker's acceptance for the first ~~bill-of-exchange~~ bill-of-exchange.

46. (currently amended) A method according to claim 44 comprising furnishing a pro-forma invoice to the buyer before execution of the first ~~bill-of-exchange~~ bill-of-exchange by the buyer wherein the pro-forma invoice comprises information indicia indicative of

- a) the identities of the buyer and the seller;
- b) the nature of the traded product; and
- c) a purchase price to be paid by the buyer to the seller as consideration for the traded product, the purchase price having been previously agreed by the buyer and the seller.

47. (previously presented) A method according to claim 46 wherein the pro-forma invoice includes a contractual condition removing merchandise claims or disputes from the payment cycle for resolution in accordance with international convention or treaty.

48. (currently amended) A method according to claim 46 wherein the pro-forma invoice further comprises information indicative of:

- d) agreement by the buyer to use the first ~~bill-of-exchange~~ bill-of-exchange to pay

for the purchased product.

49. (previously presented) A method according to claim 48 wherein the trade is an international transaction and wherein the pro-forma invoice further comprises information indicative of:

- e) the law applicable to the offer and acceptance cycle and to the underlying trade transaction as being the Vienna Convention on the International Sale of Goods.

50. (previously presented) A method according to claim 44 comprising the seller and the buyer contracting to remove merchandise claims or disputes from the payment cycle for resolution in accordance with international convention or treaty.

51. (currently amended) A method according to claim 44 wherein the trade is an international transaction, wherein the method comprises furnishing a pro-forma invoice to the buyer before execution of the first ~~bill-of-exchange~~ bill-of-exchange by the buyer, wherein the pro-forma invoice comprises information regarding the identities of the buyer and the seller, identification of the traded product and the value of the traded product, wherein the event comprises release of the traded product from the seller's control and wherein at least the first ~~bill-of-exchange~~ bill-of-exchange comprises an electronic file.

52. (currently amended) A method according to claim 44 comprising a purchase agreement signed by the buyer wherein the purchase agreement provides for:

- f) agreement by the buyer to use the first ~~bill-of-exchange~~ bill-of-exchange to pay for the purchased product;
- g) the law applicable to the offer and acceptance cycle and to the underlying trade transaction as being the Vienna Convention on the International Sale of Goods; and

h) for the seller and the buyer

53. (currently amended) A method according to claim 46 wherein the first ~~bill-of~~ exchange bill-of-exchange is made out in the amount of the pro-forma invoice and wherein the pro-forma invoice is linked to the first ~~bill-of-exchange~~ bill-of-exchange, for use in initiating a draft substitution process.

54. (currently amended) A method according to claim 46 wherein the first ~~bill-of~~ exchange bill-of-exchange is completed and executed by the buyer, for re-presentation to the buyer for payment at a later date.

55. (currently amended) A method according to claim 44, being an international trade transaction, the method further comprising a financial institution capable of issuing a banker's acceptance, or a service intermediary acting on behalf of the financial institution, pre-approving, for the seller, substitution of a banker's acceptance for the first ~~bill-of-exchange~~ bill-of-exchange accepted by the buyer.

56. (previously presented) A method according to claim 55 comprising the seller notifying the financial institution or its service intermediary, that the buyer and seller are about to enter into a transaction, and that at the conclusion of the transaction, the seller will offer to exchange a trade acceptance for a banker's acceptance pre-approved by the financial institution.

57. (previously presented) A method according to claim 56 wherein the transaction advances if the acceptance-issuing institution approves the buyer and the transaction is aborted if the transaction or the buyer is not pre-approved.

58. (currently amended) A method according to claim 57 wherein, after receiving the

approval of the acceptance-issuing institution, the seller releases the traded product to the buyer and wherein such release comprises the activating event initiating the term of the first ~~bill-of-exchange~~ bill-of-exchange.

59. (currently amended) A method according to claim 58 wherein, not before release of the traded product to the buyer, the seller sends an invoice for the product along with a second ~~bill-of-exchange~~ bill-of-exchange to the buyer's bank.

60. (currently amended) A method according to claim 59 wherein the second ~~bill-of-exchange~~ bill-of-exchange includes unique transaction identifiers and contains instructions to the buyer to pay on a date certain a sum of money to the account of the acceptance-issuing institution, under terms and conditions similar to the terms and conditions set forth in the first ~~bill-of-exchange~~ bill-of-exchange.

61. (currently amended) A method according to claim 60 further comprising:

- i) the buyer's bank holding the buyer-signed second ~~bill-of-exchange~~ bill-of-exchange to maturity;
- j) at maturity, the buyer's bank debiting the buyer's account and making a remittance to the appropriate party;
- k) the seller furnishing to the acceptance-issuing institution the buyer-accepted first ~~bill-of-exchange~~ bill-of-exchange along with evidence of release of the traded product according to the accepted pro-forma invoice;
- l) accepting institution issuing or causing to be issued a banker's acceptance having a maturity related to the maturity of the first and second ~~bills-of-exchange~~ bills-of-exchange; and
- m) upon the date certain, the buyer's bank re-presents the second ~~bill-of-exchange~~ bill-of-exchange to the buyer and receives payment.



62. (currently amended) A method according to claim 44 wherein the first ~~bill-of-exchange~~ bill-of-exchange is electronically generated and electronically transmitted to the buyer, wherein the method is computer-assisted, the first ~~bill-of-exchange~~ bill-of-exchange being generated by software running on a computer and electronically transmitted to the buyer, wherein the recipient can sign the first ~~bill-of-exchange~~ bill-of-exchange, indicating acceptance, either by printing out and manually signing the first ~~bill-of-exchange~~ bill-of-exchange or by signing it electronically.

63. (currently amended) A method according to claim 51 wherein at least one of the first ~~bill-of-exchange~~ bill-of-exchange, the second ~~bill-of-exchange~~ bill-of-exchange, the pro-forma invoice and the invoice is or are electronically generated by computer-implemented software and are electronically transmitted to an intended recipient.

64. (currently amended) A computer-assisted method of financing a sale of a product traded from a seller to a buyer, the method including computer generation of a first bill-of-exchange and a second bill-of-exchange and comprising:

- a) acceptance by the buyer of the first ~~bill-of-exchange~~ bill-of-exchange ordering payment for the traded product to be made by the buyer at a maturity date subsequent to the date of acceptance of the first ~~bill-of-exchange~~ bill-of-exchange wherein the first ~~bill-of-exchange~~ bill-of-exchange:
  - i) is drawn by the seller;
  - ii) is payable to the seller's order by a financial institution and is non-negotiable when drawn;
  - iii) is drawn on the buyer at the financial institution and is executed by the buyer to indicate the buyer's acceptance of the payment draft;
  - iv) sets forth a payment draft activating event, the activating event being effective to render the draft negotiable and being selected from the group

of events consisting of release of the traded product by the seller, delivery of the traded product to the buyer, availability of specified funds to the buyer, availability of the proceeds of an asset sale to the buyer, in the case of a manufactured traded product, progress of manufacture of the traded product to an agreed stage and of a future date certain, occurrence of the activating event being agreed by the buyer and seller as commencing the payment term;

- v) sets forth a payment term of specified duration, the payment term commencing with the date of occurrence of the activating event, the date of the activating event being a date occurring after execution of the payment draft by the buyer; and
  - vi) orders a payment of a specified amount of money to be made within the payment term; and
- b) delivery of the buyer-accepted first ~~bill-of-exchange~~ bill-of-exchange to the seller or the seller's agent;
  - c) retention by the seller or the seller's agent of the buyer-accepted first ~~bill-of-exchange~~ bill-of-exchange as collateral for payment for the traded product;
  - c) acceptance by the buyer of the second ~~bill-of-exchange~~ bill-of-exchange ordering payment for the traded product to be made at a maturity date no later than the maturity date of the first ~~bill-of-exchange~~ bill-of-exchange, wherein the first and second ~~bills-of-exchange~~ bills-of-exchange are interdependent in that each ~~bill-of-exchange~~ bill-of-exchange is payable only if the other ~~bill-of-exchange~~ bill-of-exchange is unpaid; and
  - d) presentation of the second ~~bill-of-exchange~~ bill-of-exchange to the buyer or the buyer's agent to collect payment for the traded product.

65. (currently amended) A method according to claim 64 wherein the first ~~bill-of~~  
~~exchange~~ bill-of-exchange has a maturity date determined as a fixed period subsequent  
to an event and the second ~~bill-of-exchange~~ bill-of-exchange has the same maturity date  
as the first ~~bill-of-exchange~~ bill-of-exchange and wherein the first and second ~~bills-of~~  
~~exchange~~ bills-of-exchange are mutually extinguishable, payment of one extinguishing  
the other.

66. (currently amended) A method according to claim 65 effected by computer-  
implemented software operational to generate the first and second ~~bills-of-exchange~~  
bills-of-exchange.

67. (previously presented) A method according to claim 48 wherein the trade is a  
domestic transaction, the buyer and the seller being located in the same country, state or  
region, and wherein the pro-forma invoice further comprises information indicia  
indicative of:

- e) the law applicable to the offer and acceptance cycle and to the underlying trade  
transaction as being a law of the respective country, state or region.

68. (currently amended) A computer-assisted trade finance method for financing the  
sale of a traded product supplied by a seller to a buyer geographically removed from  
the seller, the method comprising:

- a) the seller making an offer to the buyer by providing to the buyer the following  
computer-generated documents:
  - i) a pro-forma invoice indicating the identities of the buyer and the seller,  
the nature of the traded product and an agreed purchase price to be paid  
by the buyer to the seller for the traded product; and
  - ii) an event-activated first ~~bill-of-exchange~~ bill-of-exchange payable to the

seller's order and drawn on the buyer, the first ~~bill-of-exchange~~ bill-of-exchange ordering a payment, being payment for the traded product, to be made within a term commencing with a specified activating event intended by the buyer and the seller to occur subsequently to execution of the first ~~bill-of-exchange~~ bill-of-exchange by the buyer the activating event being effective to render the draft negotiable and being selected from the group of events consisting of release of the traded product by the seller, delivery of the traded product to the buyer, availability of specified funds to the buyer, availability of the proceeds of an asset sale to the buyer, in the case of a manufactured traded product, progress of manufacture of the traded product to an agreed stage and of a future date certain, occurrence of the activating event being agreed by the buyer and seller as commencing the payment term; and

- b) the buyer accepting the offer by executing and accepting both the pro-forma invoice and the first ~~bill-of-exchange~~ bill-of-exchange.

69. (currently amended) A method according to claim 68 wherein the pro-forma invoice and the first ~~bill-of-exchange~~ bill-of-exchange are separately executed and, subsequently to the activating event, the seller issues an invoice corresponding with the pro-forma invoice and indicating the date of the activating event, and a second ~~bill-of-exchange~~ bill-of-exchange also satisfying the conditions set forth in clause a) ii) of claim 68 for the first ~~bill-of-exchange~~ bill-of-exchange.

70. (currently amended) A method according to claim 69 wherein the pro-forma invoice includes:

- i) an agreement that the buyer will pay against the first or the second ~~bill-of-exchange~~ bill-of-exchange to be issued after the activating event; and

- ii) a non-recourse agreement to contractually remove trade disputes from the payment cycle.

71. (previously presented) A method according to claim 70 wherein the pro-forma invoice is signed by both the buyer and seller before release of the traded product by the seller.

72. (currently amended) A method according to claim 70 wherein, after the activating event and, if the activating event is not a release of the traded product, after release of the traded product, the seller issues a second ~~bill-of-exchange~~ bill-of-exchange and wherein the first and second ~~bills-of-exchange~~ bills-of-exchange are each designated on their faces as being payable only if the other ~~bill-of-exchange~~ bill-of-exchange remains unpaid, whereby payment of one ~~bill-of-exchange~~ bill-of-exchange extinguishes the other ~~bill-of-exchange~~ bill-of-exchange.

73. (currently amended) A method according to claim 72 wherein the first ~~bill-of-exchange~~ bill-of-exchange, the pro-forma invoice, the invoice and the second ~~bill-of-exchange~~ bill-of-exchange are all issued by one of the seller and the buyer and wherein the issuing party matches common particulars in the documents to ensure coherence of the documents.

74. (currently amended) A method according to claim 73 comprising, prior to the activating event, a financial institution providing a banker's acceptance with respect to the first ~~bill-of-exchange~~ bill-of-exchange held as collateral.

75. (currently amended) A computer-assisted method for trading a product between a seller and a buyer, the method comprising:

- a) said buyer executing a computer-generated pro-forma invoice having indicia

indicative of the traded product;

- b) said buyer executing a computer-generated first ~~bill-of-exchange~~ bill-of-exchange having indicia indicating that the buyer, by acceptance of the first ~~bill-of-exchange~~ bill-of-exchange, is legally bound to pay for the traded product upon the happening of an activating event and indicating that the first ~~bill-of-exchange~~ bill-of-exchange:

- i) is drawn by the seller;
- ii) is payable to the seller's order by a financial institution and is non-negotiable when drawn;
- iii) is drawn on the buyer at the financial institution and is executed by the buyer to indicate the buyer's acceptance of the ~~payment draft~~ first bill-of-exchange;
- iv) sets forth the activating event, the activating event being effective to render the draft negotiable and being selected from the group of events consisting of release of the traded product by the seller, delivery of the traded product to the buyer, availability of specified funds to the buyer, availability of the proceeds of an asset sale to the buyer, in the case of a manufactured traded product, progress of manufacture of the traded product to an agreed stage and of a future date certain, occurrence of the activating event being agreed by the buyer and seller as commencing the payment term;
- v) sets forth a payment term of specified duration, the payment term commencing with the date of occurrence of the activating event, the date of the activating event being a date occurring after execution of the first of exchange by the buyer; and

- vi) orders a payment of a specified amount of money to be made within the payment term;
- c) said buyer sending to said seller said first ~~bill-of-exchange~~ bill-of-exchange;
- d) said buyer sending to said seller said pro-forma invoice;
- e) said seller notifying a financial institution of the receipt by said seller of said buyer-executed first ~~bill-of-exchange~~ bill-of-exchange and said buyer-executed pro-forma invoice;
- f) said financial institution transmitting to said seller a transaction approval;
- g) said seller causing said event to happen;
- h) said seller issuing:
  - i) computer-generated invoice enabling the holder of said invoice to obtain said traded product; and
  - ii) a computer-generated second ~~bill-of-exchange~~ bill-of-exchange having indicia indicating that the buyer, by acceptance of the second ~~bill-of-exchange~~ bill-of-exchange, is legally bound to pay for the traded product upon execution of said second ~~bill-of-exchange~~ bill-of-exchange;
- i) said second ~~bill-of-exchange~~ bill-of-exchange being presented to said buyer, and said buyer executing said second ~~bill-of-exchange~~ bill-of-exchange;
- j) said executed second ~~bill-of-exchange~~ bill-of-exchange being exchanged for said invoice whereby said invoice is in the possession of the buyer;
- k) said seller providing said first ~~bill-of-exchange~~ bill-of-exchange to said financial institution; and
- l) said financial institution issuing a banker's acceptance obligating said financial institution to pay said seller.

76. (currently amended) A method as claimed in claim 75, wherein said accepted and

executed first ~~bill-of-exchange~~ bill-of-exchange and said accepted and executed second ~~bill-of-exchange~~ bill-of-exchange are mutually extinguishable whereby only one of said first and second ~~bills-of-exchange~~ bills-of-exchange is payable.

77. (previously presented) A method as claimed in claim 76, further comprising:

- m) said buyer's transaction agent remitting a payment to said financial institution;  
and
- n) said financial institution paying a payment to the holder of said banker's  
acceptance;

said payments in clauses m) and n) substantially corresponding with the value of the traded product, subject to appropriate finance discounts.

78. (currently amended) A method as claimed in claim 75, wherein said seller notifies a third party administrator respecting the execution and sending of said first ~~bill-of-exchange~~ bill-of-exchange and said pro-forma invoice and wherein the third party administrator manages and monitors the trade finance process.

79. (previously presented) A method as claimed in claim 76, wherein said event is the release of goods or performance of services, said goods or services comprising the traded product.

80. (previously presented) A method as claimed in claim 76, wherein the event which triggers the legal obligation of said buyer is said seller's parting with physical control of said goods or said seller's performing said services.

81: (cancelled).

82-87: (cancelled).



88-91: (cancelled).

92. (previously presented) A trade finance method according to claim 35 further comprising:

- c) the financial institution making the payment of the specified amount of money to the seller.

93. (previously presented) A trade finance method according to claim 92 further comprising:

- d) the seller presenting the payment draft to the financial institution for collateral or collection.

94. (previously presented) A trade finance method according to claim 93 further comprising:

- e) the financial institution collecting payment for the payment draft from the buyer.

95. (previously presented) A trade finance method according to claim 35 wherein the payment draft is transaction-independent and wherein the activating event comprises release of the traded product from the seller's control, the method further comprising:

- c) the financial institution making payment to the seller;
- d) the seller presenting the payment draft to the financial institution for collateral or collection; and
- e) the financial institution collecting payment for the payment draft from the buyer.

96. (previously presented) A trade finance method according to claim 35 wherein the payment draft has a term calculated from the specified event date of at least 30 days, or of 60, or 90 or 180 days.

97. (previously presented) A trade finance method according to claim 35 wherein the

payment draft is specified on its face as being the first of a set of two mutually extinguishable payment drafts.

98. (previously presented) A trade finance method according to claim 35 wherein the traded product consists essentially of goods, of services or of goods and services.

99. (currently amended) A trade finance method according to claim 46 implemented on a computerized information processing system wherein, not before release of the traded product to the buyer, the seller issues an invoice for the traded product, wherein the proforma invoice references the first ~~bill-of-exchange~~ bill-of-exchange and the invoice references the second ~~bill-of-exchange~~ bill-of-exchange and the proforma invoice, the first ~~bill-of-exchange~~ bill-of-exchange, the second ~~bill-of-exchange~~ bill-of-exchange and the invoice being for the amount of the proforma invoice, and wherein the pro-forma invoice is a system precursor of the invoice, the method including system validation of the invoice from the proforma invoice.

100. (currently amended) A trade finance method according to claim 46 implemented on a computerized information processing system wherein, not before release of the traded product, the seller issues an invoice for the traded product, wherein the invoice references the proforma invoice and the first ~~bill-of-exchange~~ bill-of-exchange, the first ~~bill-of-exchange~~ bill-of-exchange, the second ~~bill-of-exchange~~ bill-of-exchange and the invoice being for the amount of the proforma invoice, the method including automated system comparison of the pro-forma invoice with the invoice for document verification in the trade finance process and wherein if said system comparison finds the invoice to be at variance with the proforma invoice, the buyer and the seller can by common agreement reinitiate the proforma invoice and 1<sup>st</sup> ~~first~~ bill-of-exchange bill-of-exchange so as to make congruent the proforma, invoice, 1<sup>st</sup> ~~first~~ bill-of-exchange bill-of-exchange,

and 2<sup>nd</sup> ~~second bill-of-exchange~~ bill-of-exchange.

101. (currently amended) A computer-implemented method for electronically facilitating a trade transaction wherein a traded product is supplied by a seller to a buyer and wherein the buyer, the seller, a financial institution and a buyer's transaction interface are electronically connectable with a packeted electronic information transport system, the method comprising:

- a) said buyer electronically sending to said seller first packeted electronic information readable to provide an executed pro-forma invoice having information describing a commercial transaction between said buyer and said seller;
- b) said buyer electronically sending to said seller second packeted electronic information readable to provide an executed first ~~bill-of-exchange~~ bill-of-exchange having information purporting to legally bind said buyer upon the happening of an event, wherein the first ~~bill-of-exchange~~ bill-of-exchange:
  - i) is drawn by the seller;
  - ii) is payable to the seller's order by a financial institution and is non-negotiable when drawn;
  - iii) is drawn on the buyer at the financial institution and is executed by the buyer to indicate the buyer's acceptance of the ~~bill-of-exchange~~ bill-of-exchange;
  - iv) sets forth an activating event, the activating event being effective to render the ~~bill-of-exchange~~ bill-of-exchange negotiable and being selected from the group of events consisting of release of the traded product by the seller, delivery of the traded product to the buyer, availability of specified funds to the buyer, availability of the proceeds of an asset sale to the

- buyer, in the case of a manufactured traded product, progress of manufacture of the traded product to an agreed stage and of a future date certain, occurrence of the activating event being agreed by the buyer and seller as commencing the payment term;
- v) sets forth a payment term of specified duration, the payment term commencing with the date of occurrence of the activating event, the date of the activating event being a date occurring after execution of the first ~~bill-of-exchange~~ bill-of-exchange by the buyer; and
  - vi) orders a payment of a specified amount of money to be made within the payment term; and
- c) said seller sending a packeted electronic notification to said financial institution regarding the sending of said first and second packeted electronic information;
  - d) said financial institution transmitting to said seller a packeted electronic transaction approval;
  - e) said seller causing said activating event to happen;
  - f) said seller sending to said buyer:
    - i) third packeted electronic information readable to provide an invoice enabling said buyer to obtain said traded product; and
    - ii) fourth packeted electronic information readable to provide a second ~~bill-of-exchange~~ bill-of-exchange which upon acceptance legally binds the buyer, said first and second ~~bills-of-exchange~~ bills-of-exchange being mutually extinguishable;
  - g) said second ~~bill-of-exchange~~ bill-of-exchange contained in said fourth packeted electronic information being presented to said buyer and said buyer accepting the terms of said transaction information;
  - h) said fourth packeted information being electronically updated to include

information as to the acceptance of said second ~~bill-of-exchange~~ bill-of-exchange by said buyer and being sent in exchange for the invoice readable from said third packeted electronic information;

- i) said seller electronically transmitting said second packeted electronic information to said financial institution ; and
- j) said financial institution transmitting fifth packeted electronic information readable to provide a document comprising an order to pay obligating said financial institution to pay said seller.

## ELECTION WITH TRAVERSE

Pursuant to the requirement in section 11 of the Office action, in the paragraph that begins on page 11 and ends on page 12, applicant hereby elects species as follows, claims reading on each species being as indicated:

- 1A at least claim 35;
- 2A at least claim 38;
- 3A at least claim 41;
- 4B at least claim 45;
- 5A at least claim 46;
- 6A at least claim 50;
- 7I at least claim 61;
- 8A at least claim 62;
- 9A at least claim 64;
- 10G at least claim 74;
- 11A at least claim 75; and
- 12I at least claim 100.

This election is made *with traverse*. The term "species" is used in the sense or senses used by the Office in making the election requirement, insofar as applicant understands that usage. Traverse is respectfully made on the ground that the election requirement is believed improper, as will now be explained. Reconsideration is respectfully requested.

Where the claims of an application define the same essential characteristics of a single disclosed embodiment of an invention, *restriction therebetween should never be required* (emphasis added). This is because the claims are but different definitions of the same disclosed subject matter, varying in breadth or scope of definition. (See MPEP 806.03). In the present case most, if not all, of applicant's claims read on the single embodiment of applicant's invention described in the specification with reference to

Figs. 7 and 8 of the drawings. Many of the species identified by the Office as being “patentably distinct” may indeed contain their own unique patentable subject matter but they are not distinct in the sense of being mutually exclusive embodiments that are intended as alternative modes of practicing the invention.

Applicant respectfully urges that the Office’s identification of patentably distinct species is not at all in accordance with customary Office practice because most can be employed in the same embodiment of the invention. Rather than calling for an election between embodiments of apples and pears of a hypothetical invention claiming fruit where the embodiment of the invention might be an apple or might be a pear but cannot be both, the Office is in effect calling for an election between dependent claims respectively directed to a residual stem, a protective peel, a yellow color and white flesh, all of which are features of the same embodiment of the fruit invention.

For example, restriction is required between species 1(A) (claim 35) and species 1(B) (Claim 36) *yet claim 36 is dependent from claim 35*. Execution of the latent payment draft by the seller as claimed in claim 36 is an optional feature of the financing method that employs the latent payment draft claimed in claim 35. No basis for an election requirement can be seen. Similar arguments are applicable to most if not all of the species listed by the Office. Reconsideration and withdrawal of the requirement are respectfully requested.

Because of difficulties in understanding the election requirement, as explained above, identification of every claim reading on a given “species” has not been found practicable. Accordingly, it is respectfully requested that this requirement also be withdrawn or be further explained so that applicant can comply with same without undue difficulty.